

**MINUTES OF THE
BOARD OF BUSINESS AND ECONOMIC DEVELOPMENT
September 30, 2003 Meeting**

Members Present:	David Simmons, Debra Tanzi, Bill Boyle, Barbara Zimonja, Joel Bradford, Jerry Oldroyd, Ted Smith, Richard Nelson, Kenneth Woolley and Cliff White
Members Absent:	Dell Loy Hansen, Ed Ekstrom, Shelli Gardner, Mark Howell, and Karen Alvey
Visitors:	Bill Landels, PacifiCorp; Brian Farr, Attorney General, Dave Anderton, Deseret News; Doug Talbot, Layton Construction; Donald Adams, Downtown Alliance; Troy Gardner, EDCU; and Neal Wilson, Zions Bank
Staff:	Jeff Gochmour, Rod Linton, Ron Richins, Mark Renda, Tina Lewis, Matt McConkie, Tracie Cayford, Marian Hein, Cathy Rawstorne, Inge Krogue, Ed Meyer, Bim Oliver, Dave Douglass, Emily Sang, and Kelly Day

Welcome and Approval of Minutes

Chairman Simmons welcomed everyone to the meeting and called for a motion on the minutes.

MOTION: **Cliff White moved to approve the August 15, 2003 minutes as submitted. Joel Bradford seconded the motion and all favored it passing. Motion carried.**

PacifiCorp Update

Chairman Simmons introduced Bill Landels, Executive Vice President of Utah Power, to the Board. Mr. Landels has been in Utah now for four years and will be heading back to Scotland next spring. Mr. Simmons thanked him for his time and his willingness to report to the board on the current activities of Utah Power.

Mr. Landels discussed what Utah Power is doing to ensure the reliability and competitive prices in Utah and noted that Utah and Wyoming are second and third lowest in the nation in terms of competitive pricing. He discussed in some detail the power problems in the east as well as in California and how Utah's power situation differs from their systems. Utah Power is looking at putting a new plant in Utah to help with its power needs due to Utah's phenomenal growth. Utah Power has \$125 million rate request in front of the Commission to help bring things in line.

Subcommittee Reports

Rural Committee update: Bim Oliver invited the board members to participate in the upcoming Main Street Conference in Richfield. The main street program is a downtown development program, focusing mostly on rural communities. The conference will include sessions on business growth as well as marketing and design.

Bill Boyle reported that the Rural Subcommittee is working with a business that is not eligible for IAF funds for a number of reasons. The company has expressed some frustrations, so we are working with them on a broad range of other programs offered by the division. Mr. Boyle anticipates a press release on the various tax credits the company is able to take advantage of in the near future.

Division Report

Jeff Gochmour gave the following update on DBED activities:

- The Governor's office has confirmed that the trade missions will continue; however, they are on hold until 2004. Henrique DeAgostini recently took five businesses to Mexico City to attend an environmental business trade show. The Utah companies made 28 business contacts during the conference.
- We are also looking at the possibility of leading a business oriented trade mission to Qatar, which would not include the Governor. Qatar is the host of the Asian games in 2006 and they have a budget almost as large as the Salt Lake Olympic Winter games. Several Utah Olympic related companies have an interest in going to Qatar to see if they can generate some business from their games. Also, a number of companies have expressed an interest in how they can get involved in some of the rebuilding of Iraq so we are considering a follow-up trip from Doha to Saudi Arabia to help them.
- Lt. Gov. Walker joined with some senior Mexican officials to sign an historical agreement between the state of Utah and the country of Mexico to track the educational competencies of Mexican children who attend Utah schools. A process will be established to set educational standards with the results being available on the web. There are currently 30,000

Mexican children attending schools in Utah and there is a huge gap in understanding what they know and what their abilities are. A number of other states will be looking at this as being a model. This idea came as a direct result from the Mexico City Trade Mission in February.

- One of the businesses that attended the Athens & Turino Trade Mission in March, Cuisine Unlimited, was given the contract to provide the food services for the USOC in Athens next fall. Cuisine Unlimited also received the catering contract for the US Open.
- Our International staff hosted a group of 60 governmental leaders from China that were on their way to Harvard for a month-long training program. The group was sponsored by the Harvard Kennedy School of Government China Leaders in Development Program. It was quite an extraordinary five days while they were here and Tina Lewis and her staff did a wonderful job. Ms. Lewis reported that the leaders were from all of the provinces in China. The International staff only had two weeks to plan for their five-day visit. The group wanted to study how Utah government works so we put together an agenda which included visits and meetings with many different government agencies. Part of the agenda included a trip to a Utah farm, a tour of the Olympic Park and Park City, and a western barbecue dinner. The International staff worked hard to find homes that had either a personal or business connection to China for the guests to have dinner with which they said was the highlight of their visit to Utah. The staff also put together a CD of photographs of everything that happened during their stay in Utah, which will be played at their Harvard graduation.
- Fleet Guard, Inc., which is a business unit of Cummins, Inc., announced that they are going to move a western distribution center from Nevada to Utah. The move will create 50 jobs in Utah.
- National Business Development is working on the CoreNet Conference which is being held in Atlanta next month. Utah will again be partnering with Idaho and Wyoming, as well as some Utah companies to host a number of real estate executives at the Atlanta Motor Speedway. The guests will get to ride in a Nascar stock car with a professional driver at speeds of up to 165 miles per hour.
- Dave Harmer & I attended the International Economic Development Council Conference in Cincinnati and made some great contacts. We looked into some topics related to marketing, and will discuss that more at the retreat.
- The Office of Technology & Science has started up the tech@breakfast series again. These are monthly meetings held once a month in SLC and once a month in other cities for technology outreach.
- Several DBED staff members met with Envision Utah, an entity to make sure that we plan wisely for future growth in the state of Utah. The Utah Technology Alliance is helping sponsor a new toolbox with Envision Utah.
- Mike Keene is out today hosting some of the Federal Administrators of the SBIR (Small Business Innovation Research). The SBIR Program provides early-stage R&D funding directly to small technology companies.
- The Utah Technology Industry Council is meeting on Monday with Utah Technology Commission. The goal of the Council is to make sure that Utah's technology industry is represented in front of the Legislature. They are working on economic development and legislative issues and are off to a good start.
- Mark Renda and his staff are preparing for a PAB (Private Activity Bond) Conference at the end of October for manufacturers and other economic development professionals around the state to learn how to more effectively access the PAB monies.
- Utah Film Commission – Leigh von der Esch and Aaron Syrett are in L.A. today meeting with finance directors of all of the major studios. One of the things they are looking at is perhaps some incentives that might make Utah more attractive for filming and film development. These meetings were initiated from a visit last month from Angela Miele, Vice President for State Tax Policy for the Motion Picture Association.
- Also, we are finishing our Small Business Resource Guide under the direction of Ron Richins and his staff. BEAR and the SBA partner on the annual guide, which should be out within the next 30 days.

DBED Board Retreat

Chairman Simmons announced that the DBED Board retreat is set for October 22 and 23rd in Park City. He added that this will be a great opportunity to delve in-depth on a variety of issues as it relates to what the Board's role is, what we want the committees to be doing, the action plan for the coming year and an understanding of challenges faced by the division. He discussed the concept of having three permanent committees that will be engaged and involved on a monthly basis. The first committee Mr. Simmons proposed is the Incentives Committee which would encompass the IAF as well as be the lead for all of the incentive programs in the division such as the PAB, Enterprise Zones, and legislation like HB 316.

The second committee would be the Business Development Committee which would include the rural initiatives, and all the various business development programs. This committee would be responsible for an in-depth review of all of the business development programs on an annual basis to determine if they are making effective use of state resources and if their goals and objectives are in-line. This committee would also be responsible to hold a major review which would involve outside experts and non board members to engage in a more in-depth analysis as to whether the program is on track once every 3 to 4 years.

The third proposed standing committee is the Best Practices Committee. This committee would be responsible for producing an annual report that would really tell us how we are doing – what’s being done right or wrong - and setting out the objectives for the coming year. This committee could help us determine if what the State is doing in the realm of economic development is world class.

Chairman Simmons also reviewed a proposed agenda for the retreat which could include a professional speaker/consultant for the dinner on the 22nd and breakout sessions with all the DBED programs on the 23rd. It was also suggested that the Board members be able to meet without any staff for a portion of the meeting.

Other Business

With there being no further business, the meeting adjourned at 11:55 a.m..